

Sustainable development:

Balancing the environment

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■ The first of the 27 principles of the Rio Declaration on Environment and Development, signed by heads of state and government at UNCED in 1992, stated unequivocally: 'Human beings are at the centre of concerns for sustainable development. They are *entitled* to a healthy and productive life in harmony with nature' (italics added).

By endorsing that right in Rio, the political leaders made an important addition to the other universally accepted basic human rights that every person everywhere should enjoy. And by approving Agenda 21, they also accepted a program of action for realizing it. As always, the challenge is to move beyond rhetoric.

We should be clear what we mean by an ecologically balanced environment. As defined by the Brundtland Commission, sustainable development 'meets the needs of the present without compromising the ability of future generations to meet their own needs'. Further development – that is economic growth – remains essential, especially to the hundreds of millions of impoverished people throughout the world. But it cannot be – as too often it has been – at the expense of the air we breathe, the water we drink, the land we farm.

We must learn from our past mistakes and change course to get the balance right. We have the knowledge, ability and means to do so: all of us therefore have the right – for our sake, and our children's and grandchildren's sakes – to expect success.

But with rights go responsibilities. As Thomas Drummond wrote in the early 19th century: 'Property has its duties, as well as its rights'. In my view, the right to an ecologically balanced environment must be accompanied by, indeed it imposes, certain duties – none more so than the obligation to work for it, and make it happen.

Each and every one of us is obliged to do so as individuals. But the main responsibility for effecting the changes needed to ensure that, ultimately, everyone enjoys his or her right to an environmentally sustainable system of development lies with government and with business.

Government's most urgent duty is clear: to follow up on the Agenda 21 program, and



move quickly to implement its key action points. For example, Agenda 21 accepted the importance of internalizing environmental costs, and to put more weight behind this through the wider use of economic instruments. That requires action by government.

Government must act vigorously in other ways to breathe life into the first Principle of the Rio Declaration – for instance, to preserve and extend open markets, and reduce, with the aim of eventually eliminating, subsidies that distort prices and damage precious resources by encouraging their exploitation.

Business has different responsibilities. Its basic goal is, and must remain, economic growth; but it needs to change direction towards that goal, specifically to meet the requirement for clean, equitable growth – the biggest single difficulty within the larger challenge of sustainable development.

The major test for business is to devise strategies to maximize added value while minimizing resource and energy use, and pollution – the concept of 'Eco-Efficiency', which was developed by the Business Council for Sustainable Development (BCSD) and first presented in *Changing Course*, its report to the Rio conference. In part, business is dependent on government action to move further, faster

Government and business share a responsibility to create an ecologically balanced environment

The areas where basic rights are observed form only a small part of the globe. Elsewhere there are still political prisoners, torture, genocide, persecution, lack of respect for life and basic liberties. More than two thirds of humanity live in inhuman conditions of dire poverty, without adequate housing and without education, afflicted by hunger and disease. Forty-five years after adopting the Universal Declaration of Human Rights, the world has moved on in many aspects, but in terms of human rights there is still a great deal to do. The struggle for democracy and for the rights of humanity is therefore an urgent and vital priority

H.E. Mario Soares
President
Republic of Portugal



The Rio Summit on the Environment established that human beings have a **right to a healthy and productive life in harmony with nature**

The century which is about to come to an end has witnessed the highest peaks of human creativity but it has also seen the most terrifying horrors man can inflict upon his fellow man. We hope that the World Conference on Human Rights proves to be a turning point for humanity, so that injustice and violence, whether political, ethnic or religious, become a matter of the past. Romania and its people are ready to take up that challenge.

H.E. Ion Iliescu
President
Romania

(internalizing environmental costs is central to promoting Eco-Efficiency). In part also, business as a whole can, and must, do more within the existing legislative and fiscal framework to improve its overall environmental performance, and move us all closer to the goal of sustainable development.

And, government and business also share a responsibility to work together – through new forms of public-private partnership at both the policy and project level – to create an ecologically balanced environment.

Of course, it is easy for any of us to insist it is someone's responsibility, and sidestep or ignore our own. After Rio, the members of the BCSD – all Chief Executive Officers of major corporations worldwide – accepted that having produced a 350-page report, *Changing Course*, charting a new course for an ecologically balanced environment, also had a responsibility to follow this with certain actions.

I am pleased to say that in the first year of its post-Rio program of activities, the BCSD has tried to fulfil its obligations, and I believe it has met with some success at doing so.

Our City Services Program is a good example. We felt it was necessary to demonstrate that the concepts we developed in *Changing Course* will work on the ground.

Eco-Efficiency is one concept. Another is Technology Cooperation – the business of transferring eco-efficient technologies, along with training and education, from companies which have them to companies which need them.

Through the City Services Program, we are meeting a real demand for vital services in developing countries by creating innovative partnerships to establish new public-private companies to undertake – profitably – sustainable municipal infrastructure projects involving energy saving, waste management and water treatment.

A central feature of the program is that it is a partnership between the BCSD and the United Nations Development Program (UNDP), which is playing a key role in promoting and progressing projects. Another key element is that the projects should be replicable in other cities or countries. These follow-up projects will be facilitated by 'Reinvestment Funds', created by retaining some of the savings and profits from the first projects.

The BCSD's role is to act as a catalyst – identifying projects and potential partners from both the public and private sectors, and working with them to devise innovative financial tools to mobilize the required funding. I am delighted by the response we have to this program – from UN agencies, regional development banks and, crucially, companies locally and the municipalities where the projects will be located. The involvement of the local communities in planning and participating in the individual projects is vital.

One of the first projects is for a water treatment plant for the city of Manizales in Colombia, where there is a worrying pollution problem created by the local coffee industry. The plant, due to be operational in 1995, will reduce river pollution and improve the supply of drinking water for the city. Our partners there include Fundacolón, a local non-governmental organization (NGO), local coffee processors and the local water authority.

Another project – to recycle water from the Manali industrial estate in Madras, India, involves the Confederation of Indian Industry, the Madras water authority and the Manali Industries Association.

By the end of 1994, we expect to have 10 projects under way, including in China, Thailand, Eastern Europe, Africa and the Middle East, each involving the private and public sectors and the local communities.

Through the City Services Program, the BCSD can, I believe, take some considerable satisfaction not only in providing tangible projects that will make a real difference to people's lives, but also in offering the

The people of San Marino firmly reject any form of discrimination, intolerance, violation of rights and oppression. They seek civil harmony, which can only be ensured through the assertion of democratic principles, the search for truth and justice, through peaceful coexistence among all peoples and respect for minorities. The UNHCR is an authoritative advocate for these values the world over. On behalf of the people of San Marino we express hereby the most sincere wish for the establishment of an international community in which peace, dialogue, understanding and respect for the rights of individuals and all peoples may always prevail and govern development.

**H.E. Gian Luigi Berti and
H.E. Paride Andreoli**
Captains Regent of the
Republic of San Marino

**The right to an
ecologically balanced
environment must be
respected: it is the key to
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opportunity to the local communities themselves to play a central role in shaping and implementing those projects.

The same can be said too of the BCSD's regional activities, which are expanding rapidly: either through a growing network of regional and national BCSDs in Latin America, Gulf of Mexico, the Czech Republic, Thailand, Indonesia and Malaysia, or in conjunction with our partner organizations in India, Southern Africa, the Middle East and Central Europe. Here again, the BCSD is the catalyst, bringing into play a range of interests – international and local – to develop and promote new policies and projects.

What the growth in our work demonstrates is that the need for change to more sustainable forms of development – to an ecologically balanced environment – is becoming widely recognized, and that there is a real will and determination to make it happen. On many levels today, we *are* moving beyond the rhetoric of Rio.

The task now is not simply to sustain the momentum, but to accelerate, widen and deepen it on many levels.

At the political level, through, for example, governments introducing the economic and fiscal changes that will promote and accelerate sustainable development, I have cited the internalizing of environmental costs –

preferably through the use of economic instruments – and a determined attack on perverse subsidies as urgent priorities.

At the business level, where the private sector – the engine of growth – must recognize that eco-efficiency is the key not only to clean and equitable growth, but to competitive advantage, profitability and perhaps even industrial survival, and, having understood the challenge, use its resources and know-how to improve.

At the level of the community, especially in the developing countries where sustainable development really is about survival for ordinary people, it is essential that those people are involved fully in deciding policies and creating and developing projects. Given that ordinary people are the real day-to-day environmental decision-makers, it requires political and economic systems based on the effective participation of all members of society in decision-making. It requires that environmental considerations become a part of the decision-making processes of all government agencies, all business enterprises, and in fact all people.

When we – all of us – have accepted that responsibility, we will have moved closer to achieving an ecologically balanced environment, and we will be nearer to enjoying our right to one.

